Exhibit 354

***United States of America ex rel. Ven-A-Care of the Florida Keys, Inc., et al. v. Dey, Inc., et al.*, Civil Action No. 05-11084-PBS**

Exhibit to the August 28, 2009 Declaration of Sarah L. Reid in Support of Dey's Opposition to Plaintiffs' Motion for Partial Summary Judgment

EXHIBIT U

PB89-952799

STATE MEDICAID MANUAL PART 6 - PAYMENT FOR SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES
BALTIMORE, MD

1989

PB89-952799

Medicare

State Medicaid Manual

Part 6 - Payment for Services

U.S. Department of Health and Human Services
Health Care Financing Administration
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16. Abstract (Limit: 200 words)

This Medicaid Manual provides operating policies and procedures for Medicaid Single State Agencies and others charged with administering the program. This part of the State Medicaid Manual correlates to: 42 CFR Part 447.

In general, this part deals with payment for services, general provisions, payment methods, upper limits.

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STATE MEDICAID MANUAL

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FOR INTERIM MANUAL INSTRUCTIONS

6000. INPATIENT HOSPITAL AND LONG-TERM CARE REIMBURSEMENT -GENERAL

Since it was enacted in 1965, the Medicaid law has required each State to have an approved Medicaid plan to pay for inpatient hospital services (section 4.19(a) of the State plan), and skilled nursing facility (SNF) services, (section 4.19(d) of the State plan) to individuals eligible for those services under the plan. In 1971, P.L. 92-223 added intermediate care facility (ICF) services as an optional Medicaid service. SNFs, ICFs, and intermediate care facilities for the mentally retarded (ICFs/MR) are known collectively as long-term care (LTC) facilities.

The Omnibus Reconciliation Act of 1980 (Public Law 96-499), which was enacted on December 5, 1980, made a significant change in the provision of the Medicaid law that governs payment for LTC facility services. Specifically, section 962 of Public Law 96-499 amended section 1902(a)(13)(E) of the Social Security Act. It deleted the requirement that States pay for LTC facility services on a reasonable cost-related basis, and replaced it with the requirement that States pay for SNF and ICF services through the use of rates (determined in accordance with methods and standards developed by the State) which the State finds, and makes assurances satisfactory to the Secretary, are reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated facilities to provide care in conformity with applicable State and Federal laws, regulations, and quality and safety standards. Section 962 also requires the State to make further assurances, satisfactory to the Secretary, for the filing of uniform cost reports by each LTC facility, and for periodic audits by the State of these reports. The effective date specified for this amendment was October 1, 1980.

On August 13, 1981, the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) was enacted. Public Law 97-35 made several significant changes in the provisions of the Medicaid law that govern payments for inpatient hospital services. Specifically section 2173 of Public Law 97-35 removed the requirement that States pay for the reasonable cost of inpatient hospital services and instead incorporated the requirements for LTC facilities as amended by section 962 for both inpatient hospital services and LTC facility services at section 1902(a)(13)(A) of the Social Security Act.

It should be noted that the primary objective of Congress in enacting sections 962 and 2173 was to increase the States' administrative and fiscal discretion to set payment rates, by keeping the Federal regulatory and other requirements to a minimum level necessary to assure proper accountability. The statute requires that the State make a finding that its payment rates are reasonable and adequate to meet the costs of efficiently and economically operated facilities. Although a State may use budgetary considerations in setting their payment rates, the State must make a finding that the resulting rates are reasonable and adequate as required by the statute.

6001. STATUTORY REQUIREMENTS

The statutory basis by which inpatient hospital and LTC reimbursement plans are reviewed is found at sections 1902(a)(13)(A) and 1902(a)(30) of the Social Security Act. Section 1902(a)(13)(A) mandates that a State plan pay for "hospital, skilled nursing facility

6002.1 State Assurances and Findings.—HCFA approval of a State plan amendment is based on compliance with all Medicaid requirements set forth in the law, regulations, and program instructions. The State must find and assure HCFA that its rates meet the statutory requirements. The State must also submit the related information pertaining to the payment rates as specified in the regulations at 42 CFR 447.253 and 447.255.

The assurances and findings requirements, as specified in 42 CFR 447.253, for purposes of such Federal review, are as follows:

A. The Medicaid State Agency must make a finding and satisfactorily assure the Secretary, that it pays for inpatient hospital and long-term care facility services through the use of rates that are reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated providers to provide services in conformity with applicable State and Federal laws, regulations, and quality and safety standards.

B. The State Agency must make a finding and satisfactorily assure the Secretary, that the estimated average proposed payment rate is reasonably expected to pay no more in the aggregate for inpatient hospital or long-term care facility services than the amount that the agency reasonably would be paid for such services under the Medicare principles of reimbursement. (See §6005.)

C. In addition, specifically with respect to inpatient hospital services, the Medicaid State Agency must satisfactorily assure the Secretary, and make a finding, that:

1. The methods and standards used to determine payment rates take into account the situation of hospitals which serve a disproportionate number of low income patients with special needs.

2. The methods and standards used to determine payment rates provide that reimbursement for hospital patients receiving services at an inappropriate level of care, under conditions similar to those described in section 1861(v)(1)(G), will be made at lower rates, reflecting the level of care actually received, in a manner consistent with section 1861(v)(1)(G).

3. The payment rates are adequate to assure that recipients have reasonable access, taking into account geographic location and reasonable travel time, to inpatient hospital services of adequate quality.

A State must make all of these findings whenever it makes a significant plan change subject to HCFA approval. In addition, in the absence of significant plan changes, a State is required to make the findings annually but is not required to submit the annual findings to HCFA. Instead, HCFA will monitor such documentation as part of program oversight activities (e.g., STAR reviews).

D. The Agency must also make an assurance that it:

1. provides individual providers with an appeals or exception procedure as specified in §6006;

appropriate appeals procedures in compliance with the regulations are in effect, that the State provides for uniform cost reporting and periodic audits, and that it has complied with the requirements for public notice. Additionally, with regard to inpatient hospital services, HCFA must be satisfied that the State has made a finding that the methods and standards take into account hospitals which serve a disproportionate number of low income patients, reduce the rate payable for inappropriate level of care services, and that recipients' rights to reasonable access to necessary services will not be impeded as a result of implementation of the proposed rates.

HCFA's review is not directed to reviewing or accepting a State's payment methods and standards from a technical standpoint. Nor does HCFA's approval of a State plan amendment indicate that we believe that the payment methods and standards are the best means of establishing payment rates. Instead, HCFA's approval of a State plan amendment indicates that the State has complied with the requirements in the statute and regulations.

6004. PUBLIC NOTICE

The regulations at 42 CFR 447.253 require that the Medicaid agency must provide a statement that it has complied with the public notice requirements at 42 CFR 447.205 for any significant proposed change in its methods and standards for setting payment rates for services. The notice must be published before the proposed effective date of the change and appear as a public announcement in one of the following publications:

A. A State register similar to the Federal Register.

B. The newspaper of widest circulation in each city with a population of 50,000 or more.

C. The newspaper of widest circulation in the State, if there is no city with a population of 50,000 or more.

Also, the notice must contain the following information:

A. A description of the proposed change in methods and standards;

B. An estimate of an expected increase or decrease in annual aggregate expenditures;

C. An explanation of why the agency is changing its methods and standards;

D. Identification of a local agency in each county (such as social services agency or health department) where copies of the proposed changes are available for public review;

E. An address where written comments may be sent and reviewed by the public; and

F. Information about the location, date and time of public hearings, if there are any.

In determining whether it complies with the Medicare upper limit as required by 42 CFR 447.253(b)(2), a State need not follow exactly every detailed procedure used to implement either of these principles in the Medicare program, so long as the principles are satisfied. However, where States have adopted wholly the Medicare principles and choose to depart from the Medicare procedures used to implement the principles, the State plans should describe the nature of the variation in their reimbursement methodology, and, in any event, they should indicate that the Medicare upper limit test will be met.

To summarize, in determining whether the Medicare upper payment limitation is met, States are expected to do the following:

A. Consider the Medicare principles under 42 CFR 405.460;

B. Apply the rate of increase controls authorized in 42 CFR 405.463 for hospital services (as published annually in the Federal Register);

C. Consider Medicare payments under the prospective payment system;

D. Use an aggregate rather than facility-specific estimation; and

E. Make the determination a part of the required assurances (See §6002.1).

The regulations at 42 CFR 447.252 also require that the State plan must specify if the agency chooses to apply the Medicare cost limits on an individual provider basis.

The regulations at 42 CFR 447.271, based on section 1903(i)(3) of the Social Security Act, mandate additional cost limits on inpatient hospital services. Specifically, the regulation requires that the State agency not pay a provider more for inpatient hospital services under Medicaid than the provider's customary charges to the general public for services. However, the State agency may pay a public provider furnishing services free or at a nominal charge at the same rate that would be used if the provider's charges were equal to or greater than its costs.

6005.1 Other Policy Clarifications

A. The responsibility of complying with the Medicaid upper payment limit requirements as explained herein, and documenting such compliance, rests with the State. HCFA's oversight of the State's compliance will be performed generally after the fact through an assessment, plan validation, or other audit type activity. (A State will be required, however, to assure that it has made a finding whenever it makes a significant change in the methods and standards, but not less often than annually, that its estimated Medicaid rates meet the payment limit requirements. HCFA will review the State findings as part of our current oversight activities.)

B. A State does not need to consider and document the impact of the limits for all facilities in the State to support its finding of compliance with the requirement. That is, States could use a random sample of facilities for this purpose. Also, States with alternative systems are not precluded from making payments to individual facilities in excess of the limits. In this case, however, the State would have to show savings elsewhere in its payment system to ensure that the aggregate payout to all facilities did not exceed the limits.

6300. PAYMENT FOR OUTPATIENT CLINICAL DIAGNOSTIC LABORATORY TESTS FOR CALENDAR QUARTERS BEGINNING ON OR AFTER OCTOBER 1, 1984.

6300.1. Introduction.—Pursuant to §2303 of the Deficit Reduction Act of 1984 for services rendered to Medicare beneficiaries on or after July 1, 1984, clinical diagnostic laboratory tests performed in a physician's office, by an independent laboratory, or by a hospital laboratory for its outpatients are reimbursed on the basis of fee schedules. These fee schedules have been established on the Medicare carrier's service area (not exceeding a statewide basis). The Consolidated Omnibus Budget Reconciliation Act (COBRA) requires national limitation amounts to be applied to the Medicare payments for outpatient clinical diagnostic laboratory services.

For services rendered on or after July 1, 1986, the national limitation amount is 115 percent of the median of all the fee schedules established for a test for each laboratory setting (i.e., separately calculated for 60 and 62 percent fee schedules).

Effective with calendar quarters beginning on or after October 1, 1984 (for services rendered on or after July 1, 1984), Federal matching funds will not be available to the extent a State pays more for outpatient clinical diagnostic laboratory tests performed by a physician, independent laboratory, or hospital than the amount Medicare recognizes for such tests. If a Medicare fee has not been established for a particular test reimbursed by Medicaid, no such limitation applies to the test. If a State agency has a buy-in arrangement with Part B of the Medicare program, it should ensure that the combined amounts of the Medicaid payment and the Medicare payment do not exceed the allowable Medicare fee or national limitation amount.

For services rendered on or after July 1, 1984, a nominal fee may be allowed under Medicare for separate charges made by physicians, independent laboratories, or hospital laboratories for drawing or collecting specimens. (See §6300.3.)

These guidelines are designed to provide assistance to the State Medicaid agencies in implementing, where applicable, the limitations of the Medicare fee schedules and the specimen collection fees into payment procedures. The impact of the Medicare regulations on the Medicaid program is strictly with respect to the amount of payment. The applicable Medicare assignment and billing requirements are not necessarily to be incorporated into the State Medicaid program. The establishment and use of (1) fee schedules for payment of clinical diagnostic laboratory tests and (2) nominal fees for specimen collection are discussed. The treatment of anatomic pathology services is provided. Reimbursement options available to States are also described.

6300.2. Fee Schedules for Outpatient Clinical Laboratory Tests.—Outpatient clinical diagnostic laboratory tests encompass tests performed in a physician's office, by an independent laboratory, or by a hospital laboratory for its outpatients. Medicaid reimbursement for clinical diagnostic laboratory tests may not exceed the amount that Medicare recognizes for such tests.

A. Application.—Each Medicare carrier in a respective State will provide magnetic tapes of its fee schedules to the State agency. (See §6300.2.D.)

C. Clinical Diagnostic Laboratory Services.—For purposes of the fee schedule, clinical diagnostic laboratory services include laboratory tests listed in codes 80002-89399 of the Current Procedural Terminology Fourth Edition, 1986 printing, (CPT-4). Certain tests, however, are required to be performed by a physician and are therefore exempt from the fee schedule. These tests include:

80500-80502	Clinical pathology consultation
85095-85109	Codes dealing with bone marrow smears and biopsies
86077-86079	Blood bank services
88000-88125	Certain cytopathology services
88160-88199	Certain cytopathology services
88300-88399	Surgical pathology services

Some CPT-4 codes in the 80000 series are not clinical diagnostic laboratory tests. Such codes include codes for blood products such as whole blood, various red blood cell products, platelets, plasma and cryoprecipitates. Other codes for tests primarily associated with the provision of blood products are also not considered to be clinical diagnostic tests. These codes include the various blood crossmatching techniques.

The following codes are never subject to fee schedule limitations:

86012	86068
86013	86069
86016-86019	86072-86076
86024	86100
86026	86120
86028	86128
86034	86265-86267

The following codes should not be subject to fee schedule limitations when they are submitted for payment on the same bill with charges for blood products:

86011	86082
86014	86090
86031-86033	86095
86035	86096
86080	86105

If no blood product is provided and billed on the same claim, these codes are subject to the fee schedule.

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State agencies may consult with regional offices concerning the implementation of the fee schedule and specimen collection provisions.

Presently, Medicare will recognize up to $3 for a specimen collection whether or not the specimens are referred to physicians or other laboratories for testing. This fee will not be paid to anyone who has not actually extracted the specimen from the patient. Only one collection fee may be allowed for each patient encounter, regardless of the number of specimens drawn. A specimen collection fee may be allowed only in circumstances including, but not limited to: (1) drawing a blood sample through venipuncture (i.e., inserting into a vein a needle with syringe or vacutainer to draw the specimen) or (2) collecting a urine sample by catheterization. A specimen collection fee is not allowed for blood samples where the cost of collecting the sample is minimal, such as a throat culture or routine capillary puncture for clotting or bleeding time.

Medicare will recognize a specimen collection fee when it is medically necessary for a laboratory technician to draw a specimen from either a nursing home patient or homebound patient. The technician must personally draw the specimen, i.e., venipuncture or urine sample by catheterization. A specimen collection fee should not be allowed the visiting technician where a patient in a facility is not confined to the facility or the facility has on duty personnel qualified to perform the specimen collection. A specimen collection fee not exceeding $5 may be allowed in drawing a specimen from one patient in a nursing home or a homebound patient. An amount not exceeding $3 per patient may be allowed when specimens are drawn from more than one patient during the same nursing home visit. Exceptions to the above rules may be permitted under certain circumstances, such as allowing a travel expense in addition to the specimen collection fee where the patient is confined to a nursing home in a distant rural area.

When independent (free-standing) or hospital-based ESRD facilities are paid on a composite rate basis, no specimen fees should be paid since specimen collection costs are included in the composite rate except for Method II home dialysis patients. Where the State permits reimbursement under Method II, a separate specimen collection fee may be paid if the specimen is drawn by an ESRD facility or laboratory. The specimen collection fee is not allowed when a physician or one of a physician's employees draws a specimen from a dialysis patient because it is included in the Monthly Capitation Payment.

6300.4 Who Can Bill and Receive Payment for Clinical Laboratory Tests.—Payment for clinical laboratory tests subject to the fee schedule may only be made to the person or entity performing or supervising the performance of the tests. The general rules of 42 CFR 447.10(g)(2), (3), and (4) on reassignment are followed for clinical diagnostic laboratory tests as for all other services.

6300.5 Competitive Bidding or Other Arrangements.—42 CFR 431.54(d) allows a Medicaid agency to enter into arrangements to purchase laboratory services. Section 1903(i)(7) of the Act requires that States may not pay more in the aggregate for clinical diagnostic laboratory tests than the amount that would be paid for the tests under Medicare fee schedule. If a Medicaid agency, therefore, enters into arrangements to purchase laboratory services, the total payment for the clinical diagnostic laboratory tests may not exceed the amount recognized by Medicare.

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Name	Positions	Picture
HCPCS	5	X(5)
60% Fee Schedule*	7	9(5)V99
62% Fee Schedule*	7	9(5)V99

DETAIL RECORD

Field No.	Field Name	Size	Picture	Field Specification
1	HCPCS	5	X(5)	L
2	Filler	2	XX	L
3	Filler	2	XX	L
4	60% Fee Schedule*	7	9(5)V99	R
5	62% Fee Schedule*	7	9(5)V99	R
6	Filler	10	X(10)	L
7	Carrier #	5	X(5)	L
8	Filler	2	XX	
9	Carrier Name	20	X(20)	L

*Adjusted for national limitation amounts.

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6301. RURAL HEALTH CLINIC REIMBURSEMENT

Rural Health Clinics (RHC) are reimbursed an all-inclusive rate for services rendered. If nurse practitioners or physician assistants (as defined in 42 CFR 491.2) are not prohibited by State law from furnishing primary health care, a certified RHC will be reimbursed for services noted in 42 CFR 440.20(b) and (c).

RHC services, as defined in 42 CFR 440.20(b), and other ambulatory services furnished by a RHC as defined in 42 CFR 440.20(c) are reimbursed as follows:

A. Provider Clinics.—RHC services and other ambulatory services are reimbursed on a reasonable cost basis, based on Medicare cost reimbursement principles in 42 CFR Part 413. For purposes of this section, a provider clinic is an integral part of a hospital, skilled nursing facility, or home health agency that is participating in Medicare and licensed, governed, and supervised with other departments of the facility.

B. Freestanding Clinics That Do Not Offer Any Ambulatory Services Other Than RHC Services.— Reimburse for RHC services at the reasonable cost rate per visit determined by the Medicare carrier.

C. Freestanding Clinics That Do offer Ambulatory Services Other Than RHC Services.— Other ambulatory services are reimbursed by one of the following methods:

1. Ambulatory services and RHC services may be reimbursed at a single rate per visit that is based on the the cost of all services furnished by the clinic. The rate must be determined by the Medicare carrier;

2. Other ambulatory services may be reimbursed at a rate set for each service by the State. The rate must not exceed the upper limits in 42 CFR Part 447, Subpart D. Reimburse RHC services at the Medicare reimbursement rate per visit, as determined by the Medicare carrier; or

3. Dental services may be reimbursed at a rate per visit that is based on the cost of dental services furnished by the clinic. Use a separate rate per visit using procedures applicable in determining the rate per visit for RHC services determined by the Medicare carrier. Ambulatory services other than dental services are reimbursed under C, 1 or 2.

D. Definition of Visit.— For purposes of subsections C,1 and 3, "visit" means a face-to-face encounter between a clinic patient and any health professional whose services are reimbursed under the State plan. Encounters with more than one health professional, and multiple encounters with the same health professional, that take place on the same day and at a single location constitute a single visit, except when the patient, after the first encounter, suffers illness or injury requiring additional diagnosis or treatment.

6305. SPECIFIC UPPER LIMITS FOR MULTIPLE SOURCE AND "OTHER" DRUGS

In 1976, the Department of Health and Human Services (HHS) implemented drug reimbursement rules at 45 CFR Part 19 under the authority of statutes pertaining to upper payment limits for Medicaid and other programs. The authority to set an upper payment limit for services available under the Medicaid program is provided under §1902(a)(30)(A) of the Social Security Act.

HHS rules are intended to ensure that the Federal Government acts as a prudent buyer of drugs under Federal health programs. The rules set limits on payments for drugs supplied under Medicaid and other programs. Of the Federal programs involved, these rules have the greatest impact on the Medicaid program.

In 1983, an HHS Task Force was established to review the Department's drug reimbursement regulations at 45 CFR Part 19. Specific concerns presented to the Task Force coupled with the Department's desire to take advantage of savings that are currently available in the marketplace for multiple source drugs, resulted in a revision of the regulations to change the procedures for drug payments. The final regulation was published on July 31, 1987 (52 Fed. Reg. 28648).

6305.1 Upper Limits Requirements. —

A. Multiple Source Drugs. —

1. Definition. — A multiple source drug is a drug marketed or sold by two or more manufacturers or labelers, or a drug marketed or sold by the same manufacturer or labeler under two or more different proprietary names or both under a proprietary name and without such a name.

2. Establishment of Limits. — Under the authority of §1902(a)(30)(A) and the regulations in 42 CFR 447.332, HCFA establishes a specific upper limit for a multiple source drug if the following requirements are met:

- All of the formulations of the drug approved by the Food and Drug Administration (FDA) have been evaluated as therapeutically equivalent in the current edition of the publication, Approved Drug Products with Therapeutic Equivalence Evaluations (including supplements or in successor publications); and

- At least three suppliers list the drug (which has been classified by the FDA as category "A" in its publication, Approved Drug Products with Therapeutic Equivalence Evaluations, including supplements or in successor publications) in the current editions (or updates) of published compendia of cost information for drugs available for sale nationally (e.g., Red Book, Blue Book, Medispan.)

3. Application of Limits. — Payments for multiple source drugs identified and listed in the accompanying addendum must not exceed, in the aggregate, payment levels determined by applying to each drug entity a reasonable dispensing fee, established by the State, plus an amount based on the limit per unit set forth in the accompanying addendum, which HCFA has determined to be equal to 150 percent of the published price in any of the above compendia for the least costly therapeutic equivalent that can be purchased by pharmacists in quantities of 100 tablets or capsules, (or, if the drug is not commonly available in quantities of 100, the package size commonly listed or, in the case of liquids, the commonly listed size).

C. Assurances.— Regulations in 42 CFR 447.333(b)(2) require that, upon proposing significant State plan changes in payments for prescription drugs, and at least annually for multiply source drugs and triennially for other drugs, you must make assurances satisfactory to HCFA that the requirements in §6305.1 and §6305.2 are met. The acceptance of satisfactory assurances is the basis of approval of a State plan.

D. Recordkeeping.— As required by 42 CFR 447.333(c), you must maintain and make available to HCFA, upon request, data, mathematical or statistical computations, comparisons and any other pertinent records to support your findings and assurances.

E. Upper Limits and Federal Financial Participation (FFP).— In your assurance letter indicate that you pay no more than the upper limits described in §6305.1, in accordance with 42 CFR 447.304(a), since as required by 42 CFR 447.304(c) FFP is unavailable for payments for services that exceed the upper limits.

6305.3 Upper Limit Drug Price List Update For Multiple Source Drugs. — We have developed a price listing of multiple source drugs to which the formula in §6305.1 applies. The listing of these drugs and any revisions to the list will be provided through Medicaid program issuances on a periodic basis (possibly, semi-annually). The effective date of the new prices will be subsequent to the issuance of each new listing and will be included in the issuance. The listing is presented as an addendum.

state medicaid manual
Part 6 — Payment for Services

Department of Health and Human Services
Health Care Financing Administration

Transmittal No. 34 Date JULY 1997

REVISED MATERIAL	REVISED PAGES	REPLACED PAGES
Addendum A	A-1 - A-25 (25 pp.)	A-1 - A-24 (24 pp.)

CHANGED IMPLEMENTING INSTRUCTIONS--EFFECTIVE DATE: October 1, 1997

Addendum A updates ingredient prices used by States to establish upper limits for prescription drugs under 42 CFR 447.332 and §1927(e) of the Social Security Act.

DISCLAIMER: The revision date and transmittal number only apply to the redlined material. All other material was previously published in the manual and is only being reprinted.

Addendum A.--The following listing of multiple source drugs meets the criteria set forth in 42 CFR 447.332 and §1927(e) of the Act, as amended by OBRA 1993. The development of the current Federal Upper Limit (FUL) listing has been accomplished by computer. Payments for multiple source drugs identified and listed in the accompanying addendum must not exceed, in the aggregate, payment levels determined by applying to each drug entity a reasonable dispensing fee (established by the State and specified in the State plan), plus an amount based on the limit per unit which HCFA has determined to be equal to a 150 percent applied to the lowest price listed (in package sizes of 100 units, unless otherwise noted) in any of the published compendia of cost information of drugs. The listing is based on data current as of June 1997 from the First Data Bank (Blue Book), MediSpan, and the Red Book. Addendum A does not reference the commonly known brand names. However, the brand names are included in the FUL listing provided to the State agencies in electronic media format. The FUL price list is updated approximately every 6 months. This listing is now available on the HCFA home page at http://www.hcfa.gov/medicaid/drughmpg.htm.

In accordance with current policy, Federal financial participation will not be provided for any drug on the FUL listing for which the FDA has issued a notice of an opportunity for a hearing as a result of the Drug Efficacy Study and Implementation (DESI) program and which has been found to be a less than effective or is identical, related, or similar (IRS) to the DESI drug. The DESI drug is identified by the Food and Drug Administration or reported by the drug manufacturer for purposes of the Medicaid drug rebate program.

The effective date of this list is October 1, 1997.

GENERIC NAME	GENERIC UPPER LIMIT /UNIT SOURCE *
Acebutolol Hydrochloride	
Eq. 400 mg base, Capsule, Oral 100	$1.0703 B
Acetaminophen; Butalbital; Caffeine	
325 mg; 50 mg; 40 mg, Capsule, Oral 100	0.1223 B
325 mg; 50 mg; 40 mg, Tablet, Oral 100	0.0428 B
Acetaminophen; Codeine Phosphate	
300 mg; 15 mg, Tablet, Oral 100	0.0443 B
300 mg; 30 mg, Tablet, Oral 100	0.0675 B
300 mg; 60 mg, Tablet, Oral 100	0.0975 B
Acetaminophen; Hydrocodone Bitartrate	
500 mg; 5 mg, Capsule, Oral 100	0.1763 B
500 mg; 2.5 mg, Tablet, Oral 100	0.2498 B
500 mg; 5 mg, Tablet, Oral 100	0.0491 B
500 mg; 7.5 mg, Tablet, Oral 100	0.2303 B
650 mg; 7.5 mg, Tablet, Oral 100	0.1643 B
650 mg; 10 mg, Tablet, Oral 100	0.2693 B
750 mg; 7.5 mg, Tablet, Oral 100	0.1635 B

*B = BLUE BOOK M = MEDI-SPAN R = RED BOOK

GENERIC NAME	GENERIC UPPER LIMIT /UNIT SOURCE *
Acetaminophen; Oxycodone Hydrochloride	
500 mg; 5 mg, Capsule, Oral 100	$0.2919 B
325 mg; 5 mg, Tablet, Oral 100	0.0953 B
Acetaminophen; Propoxyphene Hydrochloride	
650 mg; 65 mg, Tablet, Oral 100	0.1313 B
Acetaminophen; Propoxyphene Napsylate	
650 mg; 100 mg, Tablet, Oral 100	0.0638 B
Acetic Acid, Glacial	
2%, Solution/Drops, Otic 15 ml	0.1250 B
Acetic Acid, Glacial; Hydrocortisone	
2%; 1%, Solution/Drops, Otic 10 ml	0.4275 B
Acetohexamide	
250 mg, Tablet, Oral 100	0.2363 R
Acetylcysteine	
10%, Solution, Inhalation 4 ml	0.6330 B
10%, Solution, Inhalation 10 ml	0.9780 R
10%, Solution, Inhalation 30 ml	0.3570 M
20%, Solution, Inhalation 4 ml	0.7050 M
20%, Solution, Inhalation 10 ml	1.2225 R
20%, Solution, Inhalation 30 ml	0.4200 M
Albuterol Sulfate	
Eq. 0.083% base, Solution, Inhalation 3 ml	0.1990 B
Eq. 90 mcg, Solution, Aerosol Inhalation Refill 17 gm	0.4394 B
Eq. 2 mg base/5 ml, Syrup, Oral 480 ml	0.0111 B
Eq. 2 mg base, Tablet, Oral 100	0.0267 B
Eq. 4 mg base, Tablet, Oral 100	0.0378 B
Allopurinol	
100 mg, Tablet, Oral 100	0.0323 B
300 mg, Tablet, Oral 100	0.0677 B
Alprazolam	
0.25 mg, Tablet, Oral 100	0.0383 B
0.5 mg, Tablet, Oral 100	0.0456 B
1 mg, Tablet, Oral 100	0.0492 B
2 mg, Tablet, Oral 100	0.1538 B
Amantadine Hydrochloride	
100 mg, Capsule, Oral 100	0.1688 B
50 mg/5 ml, Syrup, Oral 480 ml	0.0623 B

Addendum A.--The following listing of multiple source drugs meets the criteria set forth in 42 CFR 447.332 and §1927(e) of the Act, as amended by OBRA 1993. The development of the current Federal Upper Limit (FUL) listing has been accomplished by computer. Payments for multiple source drugs identified and listed in the accompanying addendum must not exceed, in the aggregate, payment levels determined by applying to each drug entity a reasonable dispensing fee (established by the State and specified in the State plan), plus an amount based on the limit per unit which HCFA has determined to be equal to a 150 percent applied to the lowest price listed (in package sizes of 100 units, unless otherwise noted) in any of the published compendia of cost information of drugs. The listing is based on data current as of April 1998 from the First Data Bank (Blue Book), Medi-Span, and the Red Book. Addendum A does not reference the commonly known brand names. However, the brand names are included in the FUL listing provided to the State agencies in electronic media format. The FUL price list is in Word Perfect 6.1 format at http://www.hcfa.gov/medicaid/drugmpg.htm.

In accordance with current policy, Federal financial participation will not be provided for any drug on the FUL listing for which the FDA has issued a notice of an opportunity for a hearing as a result of the Drug Efficacy Study and Implementation (DESI) program and which has been found to be a less than effective or is identical, related or similar (IRS) to the DESI drug. The DESI drug is identified by the Food and Drug Administration or reported by the drug manufacturer for purposes of the Medicaid drug rebate program.

The effective date of this list is September 1, 1998.

GENERIC NAME	GENERIC UPPER LIMIT /UNIT SOURCE *
Acebutolol Hydrochloride	
Eq 200 mg base, Capsule, Oral 100	$0.8025 B
Eq 400 mg base, Capsule, Oral 100	1.0703 B
Acetaminophen; Butalbital; Caffeine	
325 mg; 50 mg; 40 mg, Capsule, Oral 100	0.1223 B
325 mg; 50 mg; 40 mg, Tablet, Oral 100	0.0428 B
Acetaminophen; Codeine Phosphate	
300 mg; 15 mg, Tablet, Oral 100	0.0554 B
300 mg; 30 mg, Tablet, Oral 100	0.0875 B
300 mg; 60 mg, Tablet, Oral 100	0.1337 B
Acetaminophen; Hydrocodone Bitartrate	
500 mg; 5 mg, Capsule, Oral 100	0.2025 B
500 mg; 2.5 mg, Tablet, Oral 100	0.2498 B
500 mg; 5 mg, Tablet, Oral 100	0.0491 B
500 mg; 7.5 mg, Tablet, Oral 100	0.1837 B
650 mg; 7.5 mg, Tablet, Oral 100	0.1462 B
650 mg; 10 mg, Tablet, Oral 100	0.2235 B
750 mg; 7.5 mg, Tablet, Oral 100	0.1462 B

*B = BLUE BOOK M = MEDI-SPAN R = RED BOOK

GENERIC NAME	GENERIC UPPER LIMIT /UNIT SOURCE *
Acetaminophen; Oxycodone Hydrochloride	
500 mg; 5 mg, Capsule, Oral 100	$0.2919 B
325 mg; 5 mg, Tablet, Oral 100	0.0825 B
Acetaminophen; Propoxyphene Hydrochloride	
650 mg; 65 mg, Tablet, Oral 100	0.1313 B
Acetaminophen; Propoxyphene Napsylate	
650 mg; 100 mg, Tablet, Oral 100	0.0638 B
Acetic Acid, Glacial	
2%, Solution/Drops, Otic 15 ml	0.1250 B
Acetic Acid, Glacial; Hydrocortisone	
2%; 1%, Solution/Drops, Otic 10 ml	0.4275 B
Acetylcysteine	
10%, Solution, Inhalation 4 ml	0.6330 B
10%, Solution, Inhalation 10 ml	0.3345 R
10%, Solution, Inhalation 30 ml	0.4565 R
20%, Solution, Inhalation 4 ml	0.9143 B
20%, Solution, Inhalation 10 ml	0.3405 R
20%, Solution, Inhalation 30 ml	0.4410 R
Acyclovir	
200 mg, Capsule, Oral 100	0.3440 B
400 mg, Tablet, Oral 100	0.6266 R
800 mg, Tablet, Oral 100	1.2680 R
Albuterol	
Eq. 90 mcg, Solution, Aerosol Inhalation Refill 17 gm	0.4394 B
Eq. 90 mcg, Solution, Aerosol Inhalation 17 gm	0.4394 B
Albuterol Sulfate	
Eq 0.083% base, Solution, Inhalation 3 ml	0.1990 B
Eq 2 mg base/5 ml, Syrup, Oral 480 ml	0.0111 B
Eq 2 mg base, Tablet, Oral 100	0.0267 B
Eq 4 mg base, Tablet, Oral 100	0.0378 B
Allopurinol	
100 mg, Tablet, Oral 100	0.0323 B
300 mg, Tablet, Oral 100	0.0677 B
Alprazolam	
0.25 mg, Tablet, Oral 100	0.0567 B
0.5 mg, Tablet, Oral 100	0.0646 B
1 mg, Tablet, Oral 100	0.0880 B
2 mg, Tablet, Oral 100	0.1537 B

Addendum A--The following list of multiple source drugs meets the criteria set forth in 42 CFR 447.332 and §1927(e) of the Social Security Act, as amended by OBRA 1993. The development of the current Federal Upper Limit (FUL) listing has been accomplished by computer. Payments for multiple source drugs identified and listed in the accompanying addendum must not exceed, in the aggregate, payment levels determined by applying to each drug entity a reasonable dispensing fee (established by the State and specified in the State plan), plus an amount based on the limit per unit which HCFA has determined to be equal to a 150 percent applied to the lowest price listed (in package sizes of 100 units, unless otherwise noted) in any of the published compendia of cost information of drugs. The listing is based on data current as of January 2000 from the First Data Bank (Blue Book), Medi-Span, and the Red Book. Addendum A does not reference the commonly known brand names. However, the brand names are included in the FUL listing provided to the State agencies in electronic media format. The FUL price list is in Microsoft Word format at http://www.hcfa/gov/medicaid/drug10.htm

In accordance with current policy, Federal financial participation will not be provided for any drug on the FUL listing for which the FDA has issued a notice of an opportunity for a hearing as a result of the Drug Efficacy Study and Implementation (DESI) program and which has been found to be less than effective or is identical, related, or similar (IRS) to the DESI drug. The DESI drug is identified by the Food and Drug Administration or reported by the drug manufacturer for purposes of the Medicaid drug rebate program.

The April 6, 2000 list has been amended with a new implementation date of no later than December 7, 2000.

GENERIC NAME	GENERIC UPPER LIMIT/UNIT	SOURCE *
ACEBUTOLOL HYDROCHLORIDE		
EQ 200 MG BASE, CAPSULE, ORAL, 100	$0.4613	B
EQ 400 MG BASE, CAPSULE, ORAL, 100	$0.6713	B
ACETAMINOPHEN; CODEINE PHOSPHATE		
300 MG; 15 MG, TABLET, ORAL, 100	$0.0980	B
300 MG; 30 MG, TABLET, ORAL, 100	$0.1200	B
300 MG; 60 MG, TABLET, ORAL, 100	$0.2280	B
ACETAMINOPHEN; HYDROCODONE BITARTRATE		
500 MG; 5 MG, CAPSULE, ORAL, 100	$0.1943	R
500 MG; 5 MG, TABLET, ORAL, 100	$0.1060	R
500 MG; 7.5 MG, TABLET, ORAL, 100	$0.2300	B
650 MG; 10 MG, TABLET, ORAL, 100	$0.1850	B
650 MG; 7.5 MG, TABLET, ORAL, 100	$0.1850	R
750 MG; 7.5 MG, TABLET, ORAL, 100	$0.1750	R
ACETAMINOPHEN; OXYCODONE HYDROCHLORIDE		
500 MG; 5 MG, CAPSULE, ORAL, 100	$0.2250	B
325 MG; 5 MG, TABLET, ORAL, 100	$0.1190	B

*B = BLUE BOOK M = MEDI-SPAN R = RED BOOK

GENERIC NAME	GENERIC UPPER LIMIT/UNIT SOURCE *
ACETAMINOPHEN; PROPOXYPHENE HYDROCHLORIDE	
650 MG; 65 MG, TABLET, ORAL, 100	$0.1688 B
ACETAMINOPHEN; PROPOXYPHENE NAPSYLATE	
650 MG; 100 MG, TABLET, ORAL, 100	$0.2510 B
ACETAZOLAMIDE	
125 MG, TABLET, ORAL, 100	$0.0760 B
250 MG, TABLET, ORAL, 100	$0.2565 B
ACETIC ACID, GLACIAL	
2%, SOLUTION/DROPS, OTIC, 15 ML	$0.1380 R
ACETIC ACID, GLACIAL; HYDROCORTISONE	
2%; 1%, SOLUTION/DROPS, OTIC, 10 ML	$0.4500 B
ACETYLCYSTEINE	
10%, SOLUTION, INHALATION; ORAL, 4 ML	$0.8060 B
10%, SOLUTION, INHALATION; ORAL, 10 ML	$0.7640 B
20%, SOLUTION, INHALATION; ORAL, 4 ML	$0.9710 B
20%, SOLUTION, INHALATION; ORAL, 10 ML	$0.9290 R
ACYCLOVIR	
200 MG, CAPSULE, ORAL, 100	$0.3530 B
400 MG, TABLET, ORAL, 100	$0.7050 R
800 MG, TABLET, ORAL, 100	$1.2160 B
ALBUTEROL	
0.09 MG/INH, AEROSOL, METERED, INHALATION, 17 GM	$0.3490 B
ALBUTEROL SULFATE	
EQ 0.5% BASE, SOLUTION, INHALATION, 20 ML	$0.3330 R
EQ 2 MG BASE/5 ML, SYRUP, ORAL, 480 ML	$0.0350 B
EQ 2 MG BASE, TABLET, ORAL, 100	$0.0380 B
EQ 4 MG BASE, TABLET, ORAL, 100	$0.0550 B
ALLOPURINOL	
100 MG, TABLET, ORAL, 100	$0.0510 B
300 MG, TABLET, ORAL, 100	$0.1198 B
ALPRAZOLAM	
0.25 MG, TABLET, ORAL, 100	$0.0560 B
0.5 MG, TABLET, ORAL, 100	$0.0690 B
1 MG, TABLET, ORAL, 100	$0.0920 B

Federal Upper Limit Drug Changes to Transmittal No. 36

Dated April 2000 - Effective December 7, 2000

GENERAL INFORMATION

Reporting Correct Strength for Naproxen Sodium on FUL Publication Food and Drug Administration (FDA) staff have informed us that this product is listed in their publication, Approved Drug Products with Therapeutic Equivalence Evaluations (Orange Book), as 250 and 500 mg base tablets. This represents the strength of the Naproxen without the Sodium. The actual strength of the Naproxen Sodium in the marketplace is 275 and 550 mg. base tablets. Even though the latest FUL publication reflects the FDA standard strengths of 200/500 mg, the FUL prices should be applied to the 275/550 mg base tablets currently used in the marketplace.

Drug Products Containing PPA (phenylpropanolamin) The following information was obtained from the Food and Drug Administration's web page (www.fda.gov). The Food and Drug Administration (FDA) is taking steps to remove phenylpropanolamine (PPA) from all drug products and has requested that all drug companies voluntarily discontinue marketing any products containing PPA. In addition, FDA has issued a public health advisory concerning phenylpropanolamine hydrochloride.

We are aware that there are products on the FUL list that contain PPA. We encourage States to advise their Medicaid providers to adhere to the FDA warnings and advice to discuss alternative over-the-counter and prescription products. However, until action is taken by the FDA to prohibit dispensing these drugs, they are available under Federal law and when dispensed, the appropriate FUL would apply.

Deleted Drugs

Generic Name	Strength/Unit Type/Package Size	Effective Date
Albuterol	0.09 MG/INH, AEROSOL, METERED, INHALATION, 17	Within 30 days from 12/8/00 notice
Propoxyphene Hydrochloride	65 mg, Capsule, Oral, 100	Within 30 days from

TRANSMITTAL NO. 37 - FEDERAL UPPER LIMIT DRUG LIST
NOVEMBER 20, 2001

The following list of multiple source drugs meets the criteria set forth in 42 CFR 447.332 and Section 1927(e) of the Social Security Act, as amended by OBRA 1993. Payment for multiple source drugs identified and listed below must not exceed, in the aggregate, payment levels determined by applying to each drug entity a reasonable dispensing fee (established by the State and specified in the State plan), plus an amount based on the limit per unit which CMS has determined to be equal to 150 percent applied to the lowest price listed (in package sizes of 100 units, unless otherwise noted) in any of the published compendia of cost information of drugs. The listing is based on data current as of April 2001 from First Data Bank (Blue Book), Medi-Span, and the Red Book. This list does not reference the commonly known brand names. However, the brand names are included in the electronie FUL listing provided to the state agencies. The FUL price list and electronic listing are available at www.hcfa.gov/medicaid/drugs/drug10.htm.

In accordance with current policy, Federal financial participation will not be provided for any drug on the FUL listing for which the FDA has issued a notice of an opportunity for a hearing as a result of the Drug Efficacy Study and Implementation (DESI) program, and which has been found to be a less than effective or is identical, related or similar (IRS) to the DESI drug. The DESI drug is identified by the Food and Drug Administration or reported by the drug manufacturer for purposes of the Medicaid drug rebate program.

The November 20, 2001 FUL list should be implemented no later than January 22, 2002.

GENERIC NAME	GENERIC UPPER LIMIT/UNIT	SOURCE*
ACEBUTOLOL HYDROCHLORIDE		
EQ 200 MG BASE, CAPSULE, ORAL, 100	$0.4612	B
EQ 400 MG BASE, CAPSULE, ORAL, 100	$0.6713	B
ACETAMINOPHEN; CODEINE PHOSPHATE		
300 MG; 15 MG, TABLET, ORAL, 100	$0.1500	R
300 MG; 30 MG, TABLET, ORAL, 100	$0.2137	B
300 MG; 60 MG, TABLET, ORAL, 100	$0.2812	B
ACETAMINOPHEN; HYDROCODONE BITARTRATE		
500 MG; 5 MG, CAPSULE, ORAL, 100	$0.1943	B
500 MG/15 ML; 7.5 MG/15 ML, ELIXIR, ORAL, 473 ML	$0.1014	R
500 MG; 5 MG, TABLET, ORAL, 100	$0.1153	B
500 MG; 7.5 MG, TABLET, ORAL, 100	$0.1913	B
500 MG; 10 MG, TABLET, ORAL, 100	$0.4603	B
650 MG; 7.5 MG, TABLET, ORAL, 100	$0.1550	B
650 MG; 10 MG, TABLET, ORAL, 100	$0.1852	R
660 MG; 10 MG, TABLET, ORAL, 100	$0.5284	B
750 MG; 7.5 MG, TABLET, ORAL, 100	$0.1548	B
ACETAMINOPHEN; OXYCODONE HYDROCHLORIDE		
500 MG; 5 MG, CAPSULE, ORAL, 100	$0.2137	B
325 MG; 5 MG, TABLET, ORAL, 100	$0.1192	B

*B = BLUE BOOK M = MEDI-SPAN R = REDBOOK

GENERIC NAME	GENERIC UPPER LIMIT/UNIT	SOURCE*
ACETAMINOPHEN; PROPOXYPHENE HYDROCHLORIDE		
650 MG; 65 MG, TABLET, ORAL, 100	$0.1688	B
ACETAMINOPHEN; PROPOXYPHENE NAPSYLATE		
650 MG; 100 MG, TABLET, ORAL, 100	$0.2250	R
ACETAZOLAMIDE		
250 MG, TABLET, ORAL, 100	$0.2454	R
ACETYLCYSTEINE		
10%, SOLUTION, INHALATION; ORAL, 10 ML	$0.7634	B
20%, SOLUTION, INHALATION; ORAL, 10 ML	$0.9285	B
ACYCLOVIR		
200 MG, CAPSULE, ORAL, 100	$0.3525	B
400 MG, TABLET, ORAL, 100	$0.7048	R
800 MG, TABLET, ORAL, 100	$1.2161	B
ALBUTEROL SULFATE		
EQ 0.083% BASE, SOLUTION, INHALATION, 3 ML	$0.1450	B
EQ 0.5% BASE, SOLUTION, INHALATION, 20 ML	$0.3360	B
EQ 2 MG BASE, TABLET, ORAL, 100	$0.0375	B
EQ 4 MG BASE, TABLET, ORAL, 100	$0.0742	R
ALLOPURINOL		
100 MG, TABLET, ORAL, 100	$0.0509	R
300 MG, TABLET, ORAL, 100	$0.1005	B
ALPRAZOLAM		
0.25 MG, TABLET, ORAL, 100	$0.0480	B
0.5 MG, TABLET, ORAL, 100	$0.0493	B
1 MG, TABLET, ORAL, 100	$0.0600	B
2 MG, TABLET, ORAL, 100	$0.1563	B
AMANTADINE HYDROCHLORIDE		
100 MG, CAPSULE, ORAL, 100	$0.1572	R
50 MG/5 ML, SYRUP, ORAL, 480 ML	$0.0656	M
AMILORIDE HYDROCHLORIDE; HYDROCHLOROTHIAZIDE		
EQ 5 MG ANHYDROUS; 50 MG, TABLET, ORAL, 100	$0.0659	B
AMINOPHYLLINE		
100 MG, TABLET, ORAL, 100	$0.0278	B
200 MG, TABLET, ORAL, 100	$0.0390	R
AMIODARONE HYDROCHLORIDE		
200 MG, TABLET, ORAL, 60	$1.9907	B
AMITRIPTYLINE HYDROCHLORIDE		
10 MG, TABLET, ORAL, 100	$0.0466	R
25 MG, TABLET, ORAL, 100	$0.0495	B
50 MG, TABLET, ORAL, 100	$0.0666	B
75 MG, TABLET, ORAL, 100	$0.0741	B
100 MG, TABLET, ORAL, 100	$0.1500	R
150 MG, TABLET, ORAL, 100	$0.2396	B

GENERIC NAME	GENERIC UPPER LIMIT/UNIT	SOURCE*
SELEGILINE HYDROCHLORIDE		
5 MG, TABLET, ORAL, 60	$0.7658	R
SELENIUM SULFIDE		
2.5%, LOTION/SHAMPOO, TOPICAL, 120 ML	$0.0351	B
SPIRONOLACTONE		
25 MG, TABLET, ORAL, 100	$0.2984	R
SUCRALFATE		
1 GM, TABLET, ORAL, 100	$0.3690	B
SULFACETAMIDE SODIUM		
10%, SOLUTION/DROPS, OPHTHALMIC, 15 ML	$0.1530	B
SULFAMETHOXAZOLE; TRIMETHOPRIM		
200 MG/5 ML; 40 MG/5 ML, SUSPENSION, ORAL, 480 ML	$0.0234	B
400 MG; 80 MG, TABLET, ORAL, 100	$0.1325	B
800 MG; 160 MG, TABLET, ORAL, 100	$0.1590	B
SULFASALAZINE		
500 MG, TABLET, ORAL, 100	$0.1757	B
SULINDAC		
150 MG, TABLET, ORAL, 100	$0.2625	B
200 MG, TABLET, ORAL, 100	$0.3494	B
TEMAZEPAM		
15 MG, CAPSULE, ORAL, 100	$0.1298	B
30 MG, CAPSULE, ORAL, 100	$0.1560	B
TERAZOSIN HYDROCHLORIDE		
EQ 1 MG BASE, CAPSULE, ORAL, 100	$1.5413	B
EQ 2 MG BASE, CAPSULE, ORAL, 100	$1.5413	B
EQ 5 MG BASE, CAPSULE, ORAL, 100	$1.5413	B
EQ 10 MG BASE, CAPSULE, ORAL, 100	$1.5413	B
TETRACYCLINE HYDROCHLORIDE		
500 MG, CAPSULE, ORAL, 100	$0.0975	B
THEOPHYLLINE		
100 MG, TABLET, EXTENDED RELEASE, ORAL, 100	$0.0844	B
200 MG, TABLET, EXTENDED RELEASE, ORAL, 100	$0.1607	B
300 MG, TABLET, EXTENDED RELEASE, ORAL, 100	$0.1593	B
THIORIDAZINE HYDROCHLORIDE		
10 MG, TABLET, ORAL, 100	$0.1365	B
25 MG, TABLET, ORAL, 100	$0.1787	B
50 MG, TABLET, ORAL, 100	$0.1759	B
100 MG, TABLET, ORAL, 100	$0.3825	R
THIOTHIXENE		
1 MG, CAPSULE, ORAL, 100	$0.1329	B
2 MG, CAPSULE, ORAL, 100	$0.1860	B
5 MG, CAPSULE, ORAL, 100	$0.2963	B
10 MG, CAPSULE, ORAL, 100	$0.4065	B

Current as of 03/10/2006

FEDERAL UPPER LIMIT (FUL) CHANGES TO TRANSMITTAL NO. 37

Deleted Drugs

Generic Name

Brompheniramine Maleate; Codeine Phosphate; Phenylpropanolamine Hydrochloride
2 mg/5 ml; 10 mg/5 ml; 12.5 mg/5 ml,
Syrup, Oral 480 ml **(Must be implemented by 1/22/02)**

Diltiazem Hydrochloride
240 mg, Capsule, Ext. Release, Oral, 100 **(Must be implemented by 1/22/02)**

Isosorbide Dinitrate
5 mg, Tablet, Sublingual, Oral, 100 **(Must be implemented by 1/22/02)**

Loperamide Hydrochloride
2 mg, Capsule, Oral, 100 **(Must be implemented by 1/22/02)**

Nitroglycerin
.2 mg/hr, Film, Ext. Release, Transdermal, 30 **(Must be implemented by 1/22/02)**
.4 mg/hr, Film, Ext. Release, Transdermal, 30 **(Must be implemented by 1/22/02)**
.6 mg/hr, Film, Ext. Release, Transdermal, 30 **(Must be implemented by 1/22/02)**

Perphenazine
8 mg, Tablet, Oral, 100 **(Must be implemented by 1/22/02)**

Prazosin Hydrochloride
1 mg, Capsule, Oral, 100 **(Must be implemented by 1/22/02)**
5 mg, Capsule, Oral, 100 **(Must be implemented by 1/22/02)**

Hydrocortisone; Neomycin Sulfate; Polymyxin B Sulfate
1%; EQ 3.5mg/ml; 10000u/m, Suspension/Drops,
Ophthalmic, 10 ml **(Must be implemented by 3/5/02)**

Propranolol Hydrochloride
60 mg, Tablet, Oral, 100 **(Must be implemented by 3/5/02)**

Captopril; Hydrochlorothiazide
25mg; 25mg, Tablet, Oral, 100 **(Must be implemented by 5/11/02)**
50mg; 15mg, Tablet, Oral, 100 **(Must be implemented by 5/11/02)**

Naproxen Sodium
250mg Base, Tablet, Oral, 100 **(Must be implemented by 5/11/02)**
500mg Base, Tablet, Oral, 100 **(Must be implemented by 5/11/02)**

Nitrofurantoin, Macrocrystalline
50mg, Capsule, Oral, 100 **(Must be implemented by 5/11/02)**
100mg, Capsule, Oral, 100 **(Must be implemented by 5/11/02)**

Penicillin V Potassium
250 mg/5 ml, Powder for Reconstitution, 200 **(Must be implemented by 3/11/03)**

Prednisone
5 mg, Tablet, Oral, 100 **(Must be implemented by 3/11/03)**
10 mg, Tablet, Oral, 100 **(Must be implemented by 3/11/03)**
20 mg, Tablet, Oral, 100 **(Must be implemented by 3/11/03)**

Quinidine Gluconate
324 mg, Tablet, Extended Release, Oral, 100 **(Must be implemented by 3/11/03)**

Theophylline
300 mg, Tablet, Extended Release, Oral, 100 **(Must be implemented by 3/11/03)**

Triamcinolone Acetonide
0.1%, Topical, Lotion, 60 ml **(Must be implemented by 3/11/03)**
0.1%, Dental, Paste, 5 gm **(Must be implemented by 3/11/03)**

Acetylcysteine
10%, Inhalation, Oral, Solution, 10 ml **(Must be implemented by 4/7/03)**

Glyburide
1.25 mg, Tablet, Oral, 100 **(Must be implemented by 4/7/03)**
2.5 mg, Tablet, Oral, 100 **(Must be implemented by 4/7/03)**
5 mg, Tablet, Oral, 100 **(Must be implemented by 4/7/03)**

Acetylcysteine
20%, Solution, Inhalation; Oral, 10 ml **(Must be implemented by 5/11/03)**

Desoximetasone
0.25%, Topical, Cream, 60 gm **(Must be implemented by 5/11/03)**

Diflunisal
500 mg, Tablet, Oral, 60 **(Must be implemented by 5/11/03)**

Theophylline
100 mg, Tablet, Extended Release, Oral, 100 **(Must be implemented by 5/11/03)**
200 mg, Tablet, Extended Release, Oral, 100 **(Must be implemented by 5/11/03)**

Dexamethasone
0.5 mg/5 ml, Elixir, Oral, 240 ml **(Must be implemented by 8/24/03)**

Lovastatin
40 mg, Tablet, Oral, 60 **(Must be implemented by 8/24/03)**

Naproxen
375 mg, Tablet, Delayed Release, Oral, 100 **(Must be implemented by 8/24/03)**

Etodolac	
200 mg, Capsule, Oral, 100	$0.5850 B
400 mg, Tablet, Oral, 100	$0.3923 B
Lorazepam	
2 mg, Tablet, Oral, 100	$0.8483 B
Potassium Chloride	
8 MEQ, Tablet, Extended Release, Oral, 100	$0.1044 R

FUL Price Increases (All Must be Implemented by 02/18/2006)

Generic Name	FUL Price
Chlorpropamide	
100 mg, Tablet, Oral, 100	$0.2325 B
250 mg, Tablet, Oral, 100	$0.4917 B
Desipramine Hydrochloride	
25 mg, Tablet, Oral, 100	$0.2835 B
Hydroxyzine Pamoate	
EQ 25 mg, Capsule, Oral, 100	$0.1150 R
EQ 50 mg, Capsule, Oral, 100	$0.1572 R

FUL Price Increases (All Must be Implemented by 04/10/2006)

Generic Name	FUL Price
Carbamazepine	
200 mg, Tablet, Oral, 100	$0.1500 B
Albuterol	
0.09 mg/inh, Aerosol, Metered, Inhalation	$0.4367 R

FUL Price Decreases (All Must be Implemented by 3/11/03)

Generic Name	FUL Price
Amitriptyline Hydrochloride	
10 mg, Tablet, Oral, 100	$0.0608 B
25 mg, Tablet, Oral, 100	$0.0653 B
Cefadroxil/Cefadroxil Hemihydrate	
500 mg, Capsule, Oral, 50	$2.4837 B
Desoximetasone	
0.25%, Cream, Topical, 60 gm	$0.6180 B

Trihexyphenidyl Hydrochloride	
5 mg, Tablet, Oral, 100	$0.2295 B

FUL Price Decreases (All Must be Implemented by 11/2/03)

Generic Name	FUL Price
Acetaminophen; Propoxyphene Napsylate	
650 mg; 100 mg, Tablet, Oral, 100	$0.1800 R
Ipratropium Bromide	
0.02%, Solution for Inhalation, 2.500 ml, 25s	$0.2340 R

FUL Price Decreases (All Must be Implemented by 3/20/04)

Generic Name	FUL Price
Erythromycin	
250 mg, Capsule, Delayed Release Pellets, Oral, 100	$0.1538 B
Isosorbide Dinitrate	
5 mg, Tablet, Oral, 100	$0.0198 R
10 mg, Tablet, Oral, 100	$0.0205 R
Methocarbamol	
500 mg, Tablet, Oral, 100	$0.1425 B

FUL Price Decreases (All Must be Implemented by 6/27/04)

Generic Name	FUL Price
Fluoxetine Hydrochloride	
20 mg, Capsule, Oral, 100	$0.2520 B

FUL Price Decreases (All Must be Implemented by 10/28/04)

Generic Name	FUL Price
Acetaminophen; Hydrocodone Bitartrate	
500 mg; 5 mg, Tablet, Oral, 100	$0.0833 B
Atropine Sulfate; Diphenoxylate Hydrochloride	
0.025 mg; 2.5 mg, Tablet, Oral, 100	$0.1088 B
Captopril	
12.5, mg, Tablet, Oral, 100	$0.0232 B
50 mg, Tablet, Oral, 100	$0.0390 B
100 mg, Tablet, Oral, 100	$0.1080 B
Cefaclor	
EQ 125 mg Base/5 ml, Powder for Reconstitution, Oral, 150	$0.0980 B
EQ 187 mg Base/5 ml, Powder for Reconstitution, Oral, 100	$0.1470 B

Tizanidine Hydrochloride	
2 mg, Tablet, Oral, 150	$0.6499 B
4 mg, Tablet, Oral, 150	$0.7899 B
Tobramycin	
0.3%, Solution/Drops, Ophthalmic, 5 ml	$0.6720 B
Verapamil Hydrochloride	
40 mg, Tablet, Oral, 100	$0.1509 B

FUL Price Decreases (All Must be Implemented by 02/14/05)

Generic Name	FUL Price
Atenolol	
25 mg, Tablet, Oral, 100	$0.0975 B
Cephalexin	
EQ 250 mg, Capsule, Oral, 100	$0.1835 R
EQ 500 mg, Capsule, Oral, 100	$0.3641 R
Ipratropium Bromide	
0.02%, Solution for Inhalation, 2.500 ml, 25s	$0.1080 R
Ketoconazole	
200 mg, Tablet, Oral, 100	$2.2500 R
Metoprolol Tartrate	
50 mg, Tablet, Oral, 100	$0.0500 B

FUL Price Decreases (All Must be Implemented by 05/08/2005)

Generic Name	FUL Price
Acebutolol Hydrochloride	
EQ 200 mg Base, Capsule, Oral, 100	$0.3567 B
EQ 400 mg Base, Capsule, Oral, 100	$0.5315 B
Acetaminophen; Hydrocodone Bitartrate	
500 mg/15 ml; 7.5 mg/15 ml, Elixir, Oral, 473	$0.0633 R
500 mg; 7.5 mg, Tablet, Oral, 100	$0.1739 B
650 mg; 7.5 mg, Tablet, Oral, 100	$0.1410 B
750 mg; 7.5 mg, Tablet, Oral, 100	$0.1407 B
Acetaminophen; Propoxyphene Hydrochloride	
650 mg; 65 mg, Tablet, Oral, 100	$0.1090 R
Acyclovir	
400 mg, Tablet, Oral, 100	$0.2334 B
800 mg, Tablet, Oral, 100	$0.4667 B

Albuterol	
0.09 mg, Aerosol, Metered, Inhalation, 17 gm	$0.3088 R
Albuterol Sulfate	
EQ 0.083% Base, Solution, Inhalation, 3 ml	$0.1150 B
EQ 0.5% Base, Solution, Inhalation, 20 ml	$0.2333 B
Allopurinol	
300 mg, Tablet, Oral, 100	$0.1013 R
Etodolac	
500 mg, Tablet, Oral, 100	$0.7500 B
Hydroxyzine Hydrochloride	
10 mg/5 ml, Syrup, Oral, 480 ml	$0.0159 B
25 mg, Tablet, Oral, 100	$0.6744 B
Ibuprofen	
800 mg, Tablet, Oral, 100	$0.0590 B
Propranolol Hydrochloride	
80 mg, Tablet, Oral, 100	$0.1020 B
Ranitidine Hydrochloride	
EQ 150 mg Base, Tablet, Oral, 100	$0.1088 B
EQ 300 mg Base, Tablet, Oral, 30	$0.2025 R
Triazolam	
0.125 mg, Tablet, Oral, 10	$0.3012 B

FUL Price Decreases (All Must be Implemented by 07/21/2005)

Generic Name	FUL Price
Amoxicillin	
125 mg/5ml, Powder for Reconstitution, Oral, 150	$0.0194 R
Aspirin; Carisoprodol	
325 mg; 200 mg, Tablet, Oral, 100	$0.2708 B
Isosorbide Mononitrate	
60 mg, Tablet, Extended Release, Oral, 100	$0.2025 B

FUL Product Additions (All Must be Implemented by 3/11/03)

Generic Name	FUL Price
Albuterol	
0.09 mg/inh, Aerosol, Metered, Inhalation, 17 gm	$0.8823 B
Ampicillin/Ampicillin Trihydrate	
250 mg, Capsule, Oral, 100	$0.1295 R
500 mg, Capsule, Oral, 100	$0.2171 B
Captopril; Hydrochlorothiazide	
25 mg; 25 mg, Tablet, Oral, 100	$0.2360 B
Glyburide	
1.25 mg, Tablet, Oral, 100	$0.1244 B
2.5 mg, Tablet, Oral, 100	$0.1893 B
5 mg, Tablet, Oral, 100	$0.2831 B
Lisinopril	
2.5 mg, Tablet, Oral, 100	$0.3855 B
5 mg, Tablet, Oral, 100	$0.5783 B
10 mg, Tablet, Oral, 100	$0.5970 B
20 mg, Tablet, Oral, 100	$0.6390 B
30 mg, Tablet, Oral, 100	$0.9038 B
40 mg, Tablet, Oral, 100	$0.9345 B
Lisinopril; Hydrochlorothiazide	
10 mg; 12.5 mg, Tablet, Oral, 100	$0.6450 B
20 mg; 12.5 mg, Tablet, Oral, 100	$0.6983 B
20 mg, 25 mg, Tablet, Oral, 100	$0.7065 B
Nizatidine	
150 mg, Capsule, Oral, 60	$1.8307 B
300 mg, Capsule, Oral, 30	$3.6615 B
Tizanidine Hydrochloride	
2 mg, Tablet, Oral, 150	$0.8071 B
4 mg, Tablet, Oral, 150	$0.9560 B
Tramadol Hydrochloride	
50 mg, Tablet, Oral, 100	$0.3068 B

FUL Product Additions (All Must be Implemented by 8/24/03)

Generic Name	FUL Price
Desonide	
0.05%, Cream, Topical, 60 gm	$0.2337 B

Enalapril Maleate	
2.5 mg, Tablet, Oral, 100	$0.3075 B
5 mg, Tablet, Oral, 100	$0.5490 B
10 mg, Tablet, Oral, 100	$0.6863 B
20 mg, Tablet, Oral, 100	$0.9150 B
Ipratropium Bromide	
0.02%, Solution for Inhalation, 2.500 ml, 25s	$0.3030 B

FUL Product Additions (All Must be Implemented by 11/2/03)

Generic Name	FUL Price
Aspirin; Butalbital; Caffeine	
325 mg; 50 mg; 40 mg, Tablet, Oral, 100	$0.2400 R
Lovastatin	
40 mg, Tablet, Oral, 60	$3.2012 B

FUL Product Additions (All Must be Implemented by 3/18/04)

Generic Name	FUL Price
Acetaminophen; Butalbital; Caffeine	
500 mg; 50 mg; 40 mg, Tablet, Oral, 100	$0.5399 B
Acetaminophen; Hydrocodone Bitartrate	
500 mg, 2.5 mg, Tablet, Oral, 100	$0.2190 B
Albuterol Sulfate	
4 mg, Tablet, Oral, 100	$0.1425 B
Amoxicillin	
250 mg/5 ml, Powder for Reconstitution, Oral, 100	$0.0281 B
Hydroxyzine Hydrochloride	
25 mg, Tablet, Oral, 100	$0.7134 B
Metformin Hydrochloride	
500 mg, Tablet, Oral, 100	$0.3557 B
850 mg, Tablet, Oral, 100	$0.3863 B
Methocarbamol	
750 mg, Tablet, Oral, 100	$0.1792 B
Propafenone Hydrochloride	
150 mg, Tablet, Oral, 100	$1.1049 B
225 mg, Tablet, Oral, 100	$1.5624 B